

**CHATTANOOGA–HAMILTON COUNTY BICENTENNIAL LIBRARY
1001 BROAD STREET
CHATTANOOGA, TENNESSEE**

MINUTES

BOARD MEETING – FEBRUARY 16, 2010

4:30 P.M.

The Board of Directors of the Chattanooga–Hamilton County Bicentennial Library met on February 16, 2010, at 4:30 p.m., in the Board Room with Mr. David Clapp presiding in the absence of Board Chair, David Turner.

The following members were present: Clif Cleaveland
Herb Cohn
Mary Lou Drazich
Tom Griscom
Mai Bell Hurley
Pat Kelley
Doris Kelly
Barbara Wofford

Also present were, Kim Fahs, Friends' Executive Council; David Clapp, director; Eva Johnston, assistant director; Eileen Johnson, fiscal analyst; Andria Davis, community relations coordinator; and May Langmann, administrative assistant.

APPROVAL OF THE MINUTES OF THE JANUARY 19, 2010, BOARD MEETING:

Dr. Clif Cleaveland moved that the minutes of the January 19, 2010, meeting be approved, Mrs. Doris Kelly seconded the motion and the minutes were unanimously approved and carried.

TREASURER'S REPORT:

Ms. Mary Lou Drazich reviewed the January financial statement.

Income:

Everything is normal for the month. We had \$30,468.58 from the Stong Trust. We also received \$70,125.00 in state grant for General Library Services and Materials for the Disadvantaged. A majority of this grant is for general book or periodical purchase, added Mr. Clapp. \$2,500 of this amount has to be spent on materials for the disadvantaged.

Expenses:

We are 58% into the fiscal year; we have spent 54% of our total budget overall.

On-Demand:

We had income of \$3,084.00 and we spent \$7,637.42. We spent \$6,041.33 of this on Overdrive for downloadable books. We also spent \$12,400 for recorded books which include children's downloadable books and a year's subscription to another e-book vendor. We now have a net income of \$1,591.87.

ENDOWMENT AND FINANCE COMMITTEE REPORTS:

Ms. Drazich reported for both committees.

The Endowment committee met with Dick Schubert, our financial consultant. She said he has done a very good job of pulling us together. For the last quarter, we had the following returns: First Tennessee, 4.15%; Stong Trust at a little over 3% at SunTrust Bank, and Globalt was at 3.12%. To date, First Tennessee is 21.31, SunTrust is 17.86 and Globalt is 18.67. We are now over the \$3 Million mark in our endowment. We are doing very well considering what the market went through. We are acting conservatively in our asset allocation.

The Finance Committee met and reviewed four different budget proposals: (1) 4 days + longevity; (2) 4 days + longevity + OPEB; (3) 5 days + longevity; and (4) 5 days + longevity + OPEB. Mr. Clapp said that right now we are looking at the 5 days without the OPEB and leave that as a question for us to get an answer to when we meet with the two mayors. Mrs. Mai Bell Hurley asked what does 5 days and 4 days + longevity mean? Mr. Clapp said longevity is most of the remaining amount per year due to our long-term employees as a match for treatment accorded long-term city employees. Ms. Drazich said the OPEB is Other Postemployment Benefits which has to do with the letter from Daisy Madison. Mr. Tom Griscom asked how we ended up with this issue of almost \$2 Million. Mr. Clapp replied that his understanding from Mr. Bill Robinson's email about this topic was that the City was responding to a new request from the Federal government that entities providing retiree healthcare cover their future liability for current employees. The city went to an actuarial firm and tried to determine what this cost might be. Though no one was required to prefund a nebulous projected amount, Daisy Madison felt that it was important for the City to do so. Mr. Robinson said this projection was like "counting angels on a head of a pin" — that there's no easy way of telling what it is, but Daisy has come up with her answer and she has passed on the library's portion of these costs going back 10 years. It is like a mortgage that is being paid off over a period of time and our cost for each successive year is about \$600,000 a year, starting with the 2008/2009 fiscal year. This year and last year together brings us up to almost \$1.2 Million and next year it will be \$1.8 Million. Mrs. Hurley asked if the County is doing the same thing. Mr. Clapp said he has not heard. Mrs. Hurley added that the County would have the same Federal mandate to do it with their employees. Daisy and Mr. Louis Wright are very close. We are going to be a small item in this big picture if the City itself is suggesting that they might fund it. It may be just like a depreciation figure in a budget where you don't fund it. Ms. Drazich said that this is what Mr. Robinson said, that it is a citywide issue; the city now has to report potential retirees health care liabilities each year and the City wants to begin to prefund this liability.

Ms. Drazich said last year the amount for longevity was \$57,404. This year it would be \$57,610.00. Mr. Griscom asked Mr. Clapp if this health care thing is brand new and Mr. Clapp said it is. Ms. Drazich said that unless we hear from the County, it would seem that we should not even put that OPEB in our budget. Mr. Clapp said he had talked with the City about giving them our final budget at the next Board meeting. We have at least one Board meeting to review the questions and then go back to the Finance Committee. The general discussion at the Finance Committee meeting is that we need to meet with both mayors at the same time before settling the budget and he said Mrs. Hurley may be right in that we should find out what the County is doing about OPEB before then.

Ms. Drazich asked Mr. Clapp to elaborate on what the 5 days in the renovation plan involves. Mr. Clapp said it will be returning the 3 larger branches to a 5-day work week. If we propose a budget to the City and County for an additional day of service, and we don't get any increase (which is entirely possible in the current economy), one option would be to do a renovation in the downtown library and bring the branches up to 5 days while it is happening. We could address the limited hours in the branches now. The original plan of the consultants was a good one — that if we combine the departments all together and had one desk for reference, we could save on personnel and we could put that savings into more branch hours. If we were renovating the downtown, we would have a good excuse for reduced hours and reduced access there and

patrons would be excited about the fact that we were doing this. We could put posters up on the barriers that we have, give progress reports on how we're moving through so that is why he is suggesting this as an option. If we were closed in these areas, we might be able to devote more staff time to working through these government documents, get large sections cataloged, large sections withdrawn, and accomplish the move with staff we have on hand rather than doing it piecemeal with specially-hired moving staff at a later stage. It is just a question of whether this would add some excitement to where we are going. Right now we are still in a stalemate as far as what we are showing the public that we are accomplishing. To Mr. Clapp, this would be an exciting way to both save money, enable us to move forward quicker, and provide better service in the branches.

Mr. Herb Cohn mentioned attending a meeting of the group at Northgate. There were about 16 people at the meeting who were passionate patrons and when asked what the library could do that would be most meaningful to them, they all said open an additional day.

Mr. Griscom asked Mr. Clapp where the money for renovating the downtown library is coming from. Mr. Clapp said this would be an ideal time to use the \$466,000 in the Free Public Library Fund. Ideally, we will also seek private assistance so that the money will go further in terms of improvements to the branches as well as downtown. Our automation system is at a crisis stage right now; perhaps private funding could assist here as well.

Mrs. Hurley told the Board that she was at another meeting which Mayor Littlefield attended. He told her that Karen McMahon is coming back and the task force will be re-energized. Mrs. Hurley said she is sure he knows about the Free Public Library Fund and she is sure both Mayor Littlefield and Daisy Madison know about it as well as the reserve that the library has. She feels we really need to come to grips with what the strategic priorities of the two mayors are and what ours are. Ms. Drazich said this is why the Finance Committee wants to meet with the mayors. Mr. Griscom said another way to go about it is for us to come up with what we would like to see so that we at least give them a sense that this Board has decided where it wants to go. The mayors don't have to agree. Mrs. Hurley said it has got to be what do we do downtown with how much money? She thinks our presentation is too complicated. She asked for a number of what it takes to do something significant downtown; what do we mean when we say "closing departments"? It is obvious that we have two branches that really politically are going to demand better service than they are getting right now. Mr. Clapp said Carol Berz and Nan Zumeta are not expecting the Eastgate library to happen overnight.

Mr. Griscom asked what if Mr. Clapp went to Jim Coppinger and say, "The City is doing this... what do you think?" Tell Mr. Coppinger "Here's what we'd like to see done" and then see if he would take that on and figure out how to use a little bit of money, maybe talk to Mayor Ramsey and have him work that from the County side. Mayor Ramsey wants to make sure this library is open. Then at least we have a sketch of what we want to do. That way, everything is clear – what is being closed, what is being opened.

Mr. Clapp said we would have a popular library on the main floor that would include the core materials from the Fine Arts and Business departments that would otherwise be closed. We will have all of the media that's up in the Fine Arts department and the most requested materials from BST in a Barnes and Noble type of arrangement on the first floor along with the computers that were on the closed areas. They would be here on this floor as you walk in, find what you want, and be able to check it out. It would be a walk-in branch like Northgate. All of the 2nd floor except for Children's, the restrooms and fire escapes would be closed off for renovation. Local History would continue operating while the rest of the third floor was closed off. In order to downsize the government documents quickly we need more staff focused on the reductions. Mrs. Hurley asked how much money it would take to create what he just described on the 1st floor. Mr. Clapp said he does not think it would take very much money to add new display shelving to the necessary stack and computer space. We may even be able to buy most of the interim display furniture out of this year's budget. He said that we would also change the carpet in the closed areas. The areas remaining open during the main renovation would be denuded of heavy stacks

complicating their quick renewal after the other areas reopened. Mr. Griscom asked him if he has somebody in mind to do the overall alteration plans. Mr. Clapp said he does. Dana Moody and Hank Methany have specific ideas of how we move forward. We can get paint; they might help us get carpet. Mr. Methany is a local interior designer and Dana Moody works at UTC and has students who may be able to work on this as a class project. Mr. Cohn commented that when he goes to the branches, many of the people using the branches do not think they are getting a fair shake and whatever we do, he hopes we change that image. Mr. Clapp said that is his goal with this project.

Mrs. Hurley told Mr. Clapp to put this down as he described it with a dollar figure. Mr. Clapp said that, if the Board supports this goal, we can ramp up and get the details the Board needs in order to make this proposal. We can get the restaurant inspectors in here to determine what we have to do to that space, we can get a design and the amount from Hank and others and we can give that to the Board in a fairly short time. Is this something the Board wants to pursue? Mr. Griscom asked if Mr. Clapp will have to bid this out? He said yes. Mr. Griscom told him that he wants to see more details on an overall plan for what Mr. Clapp is trying to do; what it looks like because Mr. Clapp is going to have to present this to the two mayors so they understand what he is doing. Mr. Clapp said what he wants out of today's meeting is a go-ahead from the Board. Mrs. Hurley asked: who will feel left out if we do this? Mr. Clapp replied that he can't see that there would be much complaint downtown because access to key materials would remain. High demand media from Fine Arts will be on the first floor. Local History will be open; Children's won't be affected, BST's materials will be down on the first floor. Downtown residents will have better reference help and the branches will have longer hours.

Dr. Clif Cleaveland moved that (1) we undertake an artistic design and financial appraisal for systematic renovation of the main library; (2) we push for a 5-day a week opening of the branches and Mrs. Hurley added (3) that we ask the main constituents of Northgate and Eastgate what their dreams for the libraries are.

Dr. Cleaveland said he'd like to put this forward as a plan of action. We've had many good ideas but they have always had to be tentative and he thinks it is time for us to put a bit more offense into this. As Mr. Griscom said, if we have visuals and hard figures, then he thinks it has a better chance of obtaining support.

Mr. Herb Cohn seconded the motion and it was unanimously agreed and carried.

Mr. Clapp told the Board he can give them what they asked for at the next Board meeting.

Now that this motion has passed, Mr. Clapp asked what does that mean in terms of our budget request for a 5-day or 4-day week moving forward. What should the Finance Committee work on besides knowing whether the City and County are in sync on prefunding retiree health care? Dr. Cleaveland said we strongly recommend for the 5-day week.

Dr. Clif Cleaveland moved that we request funding for 5-day a week opening of branches. Mr. Herb Cohn seconded and it was unanimously approved and carried.

Mr. Clapp asked the Board to confirm that when he sends a preliminary report back to the City on our probable budget request, what he will request is the 5-day week without longevity. The Board so confirmed.

Mrs. Hurley thinks the OPEB would have to be an addendum; it should not be part of the budget.

Mr. Clapp asked Board approval for EBSCOHost renewal. Last year the City said we need to get Board approval for them to pass it forward. He has explained this need for Board approval in his Director's Remarks.

Dr. Barbara Wofford moved, Dr. Clif Cleaveland seconded, that the Board approve the annual renewal of all our EBSCOHost databases and an EBSCO replacement for our search aggregator for a total of \$83,245.00. It was unanimously approved and carried.

Mr. Clapp informed the Board that he is driving to Auburn tomorrow for a design group that is looking at five potential sites for the public library downtown. He does not know how much is invested in this but thinks having designs out there should appeal to people and also keep up excitement about the library.

He called the Board's attention to a copy of a memo regarding smoking next to the library entrance. This came through the Nashville Public Library to prevent children from having to inhale all that smoke near the entrance. This is good for us because we have a lot of kids who play near the fountain and would make a difference for us.

Mrs. Hurley thinks that while we are doing the budget, the automation system and the elevators ought to be in the picture. Dr. Cleaveland suggested aggressive pursuit of a grant and Mr. Clapp agreed.

Mr. Clapp agreed with Mrs. Hurley and Mr. Griscom that he will have all the paperwork ready including costs before we try to have a meeting with the two mayors. Dr. Cleaveland suggested Mr. Clapp find a good date for the two mayors to meet and get as many of the Board members that can come to attend. Mr. Clapp thanked the Board for their efforts for the library on this budget.

FRIENDS' REPORT:

Mrs. Kim Fahs informed the Board that the Friends' first book sale of the season starts Monday, February 22 until Tuesday, March 2, at the JCPenney Court at Northgate Mall.

The Friends have their Facebook page up. She just came from a meeting at Eastgate and she reiterated what Mr. Cohn and Mrs. Hurley said that these people's main concern is being open and that they feel like they are not getting anything from anybody. However, she feels like we are making a breakthrough and we might be seeing how we can actually work together for the benefit of the system and for Eastgate.

The Friends' Executive Council met at Northgate this month. Next month they will meet at Eastgate.

She told Mr. Clapp that patrons at the branches are interested in buying small items like mailing envelopes, pencils and the like which Mr. Clapp said we could sell through the bookstore. He approved this.

There were no other comments or discussions. Mr. Clapp adjourned the meeting at approximately 5:30 p.m.

Pat Kelley
Secretary